

**ASSEMBLY BILL**

**No. 3068**

**Introduced by Committee on Governmental Organization  
(Jerome Horton (Chair), Aghazarian, Bermudez, Calderon,  
Chavez, Coto, Garcia, Levine, Liu, Mountjoy, Negrete McLeod,  
Torrico, and Yee)**

March 13, 2006

An act to amend Sections 12012.90 and 12712 of the Government Code, relating to gaming.

LEGISLATIVE COUNSEL'S DIGEST

AB 3068, as introduced, Committee on Governmental Organization. Tribal gaming.

(1) Existing law defines “eligible recipient Indian tribe” by reference to certain tribal-state gaming compacts for purposes of calculating the amount of money needed to be transferred from the Indian Gaming Special Distribution Fund to the Indian Gaming Revenue Sharing Trust Fund for distribution to noncompact tribes.

This bill would modify that definition to specify that “eligible recipient Indian tribe” means a federally-recognized Indian tribe that operates fewer than 350 gaming devices.

(2) Existing law defines “individual tribal casino accounts” for purposes of calculating the distribution of appropriations from the Indian Gaming Special Distribution Fund for grants to local government agencies impacted by tribal gaming.

This bill would make a technical correction to that definition.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 12012.90 of the Government Code is amended to read:

12012.90. (a) (1) For each fiscal year commencing with the 2002–03 fiscal year to the 2004–05 fiscal year, inclusive, the California Gambling Control Commission shall determine the aggregate amount of shortfalls in payments that occurred in the Indian Gaming Revenue Sharing Trust Fund pursuant to Section 4.3.2.1 of the tribal-state gaming compacts ratified and in effect as provided in subdivision (f) of Section 19 of Article IV of the California Constitution as determined below:

(A) For each eligible recipient Indian tribe that received money for all four quarters of the fiscal year, the difference between one million one hundred thousand dollars (\$1,100,000) and the actual amount paid to each eligible recipient Indian tribe during the fiscal year from the Indian Gaming Revenue Sharing Trust Fund.

(B) For each eligible recipient Indian tribe that received moneys for less than four quarters of the fiscal year, the difference between two hundred seventy-five thousand dollars (\$275,000) for each quarter in the fiscal year that a recipient Indian tribe was eligible to receive moneys and the actual amount paid to each eligible recipient Indian tribe during the fiscal year from the Indian Gaming Revenue Sharing Trust Fund.

(2) For purposes of this section, “eligible recipient Indian tribe” means ~~a noncompact tribe, as defined in Section 4.3.2(a)(i) of the tribal-state gaming compacts ratified and in effect as provided in subdivision (f) of Section 19 of Article IV of the California Constitution~~ *federally-recognized Indian tribe that operates fewer than 350 gaming devices.*

(b) The California Gambling Control Commission shall provide to the committee in the Senate and Assembly that considers the State Budget an estimate of the amount needed to backfill the Indian Gaming Revenue Sharing Trust Fund on or before the date of the May budget revision for each fiscal year.

(c) An eligible recipient Indian tribe may not receive an amount from the backfill appropriated following the estimate made pursuant to subdivision (b) that would give the eligible recipient Indian tribe an aggregate amount in excess of two

1 hundred seventy-five thousand dollars (\$275,000) per eligible  
2 quarter. Any funds transferred from the Indian Gaming Special  
3 Distribution Fund to the Indian Gaming Revenue Sharing Trust  
4 Fund that result in a surplus shall revert back to the Indian  
5 Gaming Special Distribution Fund following the authorization of  
6 the final payment of the fiscal year.

7 (d) Upon a transfer of moneys from the Indian Gaming Special  
8 Distribution Fund to the Indian Gaming Revenue Sharing Trust  
9 Fund and appropriation from the trust fund, the California  
10 Gambling Control Commission shall distribute the moneys  
11 without delay to eligible recipient Indian tribes for each quarter  
12 that a tribe was eligible to receive a distribution during the fiscal  
13 year immediately preceding.

14 (e) For each fiscal year commencing with the 2005-06 fiscal  
15 year, all of the following shall apply and subdivisions (b) to (d),  
16 inclusive, shall not apply:

17 (1) On or before the day of the May budget revision for each  
18 fiscal year, the California Gambling Control Commission shall  
19 determine the anticipated total amount of shortfalls in payment  
20 likely to occur in the Indian Gaming Revenue Sharing Trust  
21 Fund for the upcoming fiscal year, and shall provide to the  
22 committee in the Senate and Assembly that considers the State  
23 Budget an estimate of the amount needed to transfer from the  
24 Indian Gaming Special Distribution Fund to backfill the Indian  
25 Gaming Revenue Sharing Trust Fund for the next fiscal year. The  
26 anticipated total amount of shortfalls to be transferred from the  
27 Indian Gaming Special Distribution Fund to the Indian Gaming  
28 Revenue Sharing Trust Fund shall be determined by the  
29 California Gambling Control Commission as follows:

30 (A) The anticipated number of eligible recipient *Indian* tribes  
31 that will be eligible to receive payments for the next fiscal year,  
32 multiplied by one million one hundred thousand dollars  
33 (\$1,100,000), with that product reduced by the amount  
34 anticipated to be paid by the tribes directly into the Indian  
35 Gaming Revenue Sharing Trust Fund for the fiscal year.

36 (B) This amount shall be based upon actual payments received  
37 into the Indian Gaming Revenue Sharing Trust Fund the previous  
38 fiscal year, with adjustments made due to amendments to  
39 existing tribal-state compacts or newly executed tribal-state

1 compacts with respect to payments to be made to the Indian  
2 Gaming Revenue Sharing Trust Fund.

3 (2) The Legislature shall transfer from the Indian Gaming  
4 Special Distribution Fund to the Indian Gaming Revenue Sharing  
5 Trust Fund an amount sufficient for each eligible recipient *Indian*  
6 tribe to receive a total not to exceed two hundred seventy-five  
7 thousand dollars (\$275,000) for each quarter in the upcoming  
8 fiscal year an eligible recipient *Indian* tribe is eligible to receive  
9 moneys, for a total not to exceed one million, one hundred  
10 thousand dollars (\$1,100,000) for the entire fiscal year. The  
11 California Gambling Control Commission shall make quarterly  
12 payments from the Indian Gaming Revenue Sharing Trust Fund  
13 to each eligible recipient Indian tribe within 45 days of the end of  
14 each fiscal quarter.

15 (3) If the transfer of funds from the Indian Gaming Special  
16 Distribution Fund to the Indian Gaming Revenue Sharing Trust  
17 Fund results in a surplus, the funds shall remain in the Indian  
18 Gaming Revenue Sharing Trust Fund for disbursement in future  
19 years, and if necessary, adjustments shall be made to future  
20 distributions from the Indian Gaming Special Distribution Fund  
21 to the *Indian Gaming* Revenue Sharing Trust Fund.

22 (4) In the event the amount appropriated for the fiscal year is  
23 insufficient to ensure each eligible recipient *Indian* tribe receives  
24 the total of two hundred seventy-five thousand dollars (\$275,000)  
25 for each fiscal quarter, the Department of Finance, after  
26 consultation with the California Gambling Control Commission,  
27 shall submit to the Legislature a request for a budget  
28 augmentation for the current fiscal year with an explanation as to  
29 the reason why the amount appropriated for the fiscal year was  
30 insufficient.

31 (5) At the end of each fiscal quarter, the California Gambling  
32 Control Commission's Indian Gaming Revenue Sharing Trust  
33 Fund report shall include information that identifies each of the  
34 eligible recipient *Indian* tribes eligible to receive a distribution  
35 for that fiscal quarter, the amount paid into the Indian Gaming  
36 Revenue Sharing Trust Fund by each of the tribes pursuant to the  
37 applicable sections of the tribal-state compact, and the amount  
38 necessary to backfill from the Indian Gaming Special  
39 Distribution Fund the shortfall in the Indian Gaming Revenue  
40 Sharing Trust Fund in order for each eligible recipient *Indian*

1 tribe to receive the total of two hundred seventy-five thousand  
2 dollars (\$275,000) for the fiscal quarter.

3 (6) Based upon the projected shortfall in the Indian Gaming  
4 Revenue Sharing Trust Fund, for the 2005-06 fiscal year, the sum  
5 of fifty million dollars (\$50,000,000) is hereby transferred from  
6 the Indian Gaming Special Distribution Fund to the Indian  
7 Gaming Revenue Sharing Trust Fund and is hereby appropriated  
8 from that fund to the California Gambling Control Commission  
9 for distribution to each eligible recipient *Indian* tribe pursuant to  
10 this section.

11 SEC. 2. Section 12712 of the Government Code is amended  
12 to read:

13 12712. As used in this chapter:

14 (a) “County Tribal Casino Account” means an account  
15 consisting of all moneys paid by tribes of that county into the  
16 Indian Gaming Special Distribution Fund after deduction of the  
17 amounts appropriated pursuant to the priorities specified in  
18 Section 12012.85.

19 (b) “Individual Tribal Casino Accounts” means an account for  
20 each individual ~~tribal casino~~ *tribe* that has paid money into the  
21 Indian Gaming Special Distribution Fund. The individual tribal  
22 casino account shall be funded in proportion to the amount that  
23 the individual tribe has paid into the Indian Gaming Special  
24 Distribution Fund.

25 (c) “Local jurisdiction” means any city, county, or special  
26 district.